BEFORE THE FEDERAL COMMUNCIATIONS COMMISSION Washington, D.C. 20554

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In the Matter of)
Unbundled Access to Network Elements) WC Docket No. 04-313
Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers) CC Docket No. 01-338

REPLY COMMENTS OF GLOBAL INTERNETWORKING, INC.

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BEFORE THE FEDERAL COMMUNCIATIONS COMMISSION Washington, D.C. 20554

In the Matter of)
Unbundled Access to Network Elements) WC Docket No. 04-31.
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Review of the Section 251 Unbundling) CC Docket No. 01-338
Obligations of Incumbent Local Exchange	
Carriers)

REPLY COMMENTS OF GLOBAL INTERNETWORKING, INC.

I. Introduction

Global Internetworking, Inc. ("GII") hereby submits the following reply comments in response to the Order and Notice of Proposed Rulemaking ("NPRM") adopted by the Federal Communications Commission ("Commission") in the above-referenced dockets on August 20, 2004.

The purpose of these reply comments is to clarify the record in this proceeding. The UNE Fact Report 2004¹ prepared and submitted in the above-referenced dockets by Regional Bell Operating Companies BellSouth, SBC, Qwest, and Verizon ("the RBOCs"), discusses GII and the services it provides.² GII submits these reply comments solely for the purpose of clarifying the record as submitted to the Commission in the RBOCs' UNE Fact Report 2004 with respect to the scope of GII's operations.

See In the Matter of Unbundled Access to Network Elements, UNE Fact Report 2004 Prepared for and Submitted by BellSouth, SBC, Qwest, and Verizon, WC Docket No. 04-313; Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers, CC Docket No. 01-338 (filed Oct. 4, 2004) ("UNE Fact Report 2004").

² See id. at III-19 to III-20. See also id. at III-26 to III-27 n.65.

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II. Background

Founded in 1998, GII is a non-facilities based telecom service provider that delivers high

capacity network solutions primarily for carriers and service providers. GII has built resale

relationships with a variety of carriers, including the RBOCs, other Incumbent Local Exchange

Carriers ("ILECs"), Competitive Local Exchange Carriers, and Interexchange Carriers ("IXCs").

Through these relationships and GII's facilities-neutral focus on the design and provisioning of

resold services, GII believes it can provide all kinds of carriers – competitors and incumbents

alike – with off-net solutions that satisfy each customer's particular requirements with respect to

issues such as network diversity, cost, and speed of delivery.

On September 13, 2004, GII announced a new Unbundled Network Element

Replacement ("UNE-R") service. Leveraging GII's knowledge base, its existing resale

relationships, and its off-net provisioning experience together with a renewed intent to locate

alternatives to ILEC facilities where possible, the UNE-R initiative attempts to identify how best

to establish circuits from the available options in accordance with customer criteria. Although

GII believes that the UNE-R initiative may indeed in certain cases offer competitive carriers

(including ILECs operating out of region) a reasonable and timely alternative to ILEC facilities,

the UNE Fact Report 2004 misstates the scope of the UNE-R effort by taking broader unrelated

statements out of context. Accordingly, clarification is provided herein to distinguish the way in

which GII generally operates as compared to the more specific UNE-R initiative.

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III. The UNE Fact Report 2004 Confuses GII's General Operations with the UNE-R Initiative

The RBOCs state in the *UNE Fact Report 2004*:

Access to competitive high-capacity facilities also is available from several consolidators - entities designed to assist CLECs in obtaining access to each other's networks, and to aggregate their demand in order to obtain access to ILEC special access at substantial discounts. Global Internetworking has recently announced its new "Unbundled Network Element Replacement" service that provides competitive carriers "timely solutions from a single provider, eliminating the hassle of finding multiple alternative providers, making volume purchase commitments, negotiating multiple agreements and dealing with the provisioning groups of numerous other carriers." The company claims to have "long-term wholesale relationships" with "1,300 facilities-based carriers" providing "access to over 535,000 lit buildings" as well as "IXC POPs, and collocation facilities" in "every 1st, 2nd and 3rd tier market in the U.S." Global Internetworking already "receives and fulfills thousands of requests for high-capacity data transport services in every market in the U.S."³

In this case, the *UNE Fact Report 2004* does not quite have its facts straight. Specifically, the *UNE Fact Report 2004* errs in implying that GII can provide access to all of these points without the use of ILEC facilities. The stated lit building figure bears no specific relation to the narrower UNE-R initiative, and it does not describe the potential locations to which GII believes it can provide access through exclusive use of competitive facilities. Rather, that figure is taken by the *UNE Fact Report 2004* from descriptions that are provided separately from any UNE-R discussion, and which outline the way in which GII generally has constructed its knowledge base – and the figure includes ILEC central offices and other ILEC-only served points as well. In fact, GII views the ILECs as important partners in executing upon its resale strategy; as a general business matter, GII still must purchase in the majority of cases at least some component of each facility (if not the entire circuit) from the RBOC or other ILEC.

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³ *Id.* at III-19 to III-20.

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Although GII certainly works with many non-ILEC vendors and is attempting through the UNE-

R initiative to redouble efforts to find further end-to-end competitive alternatives to ILEC

facilities, a majority of GII's circuits today must use the ILEC networks for at least a portion, if

not all parts, of each circuit. Indeed, because of the reach of the ILEC networks, even the

narrower UNE-R initiative may at times - in addition to looking for complete end-to-end

competitive alternatives where available – involve the design and provisioning of circuits that are

a combination of ILEC and competitive facilities. Thus, it is incorrect for the UNE Fact Report

2004 to conclude or imply that all or even a majority of the location points that GII has identified

are accessible without use of the ILEC networks, especially at the last mile portion of the

circuit.4

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Additional confusion comes in the *UNE Fact Report 2004* claim that carriers would necessarily save 20-50 percent using Global Internetworking's service over what they would pay directly using the ILEC. *Id.* at III-26 to III-27 n.65. The press release cited in the *UNE Fact Report 2004* specifically states that "in metro markets such as DC, Philadelphia, Boston, and New York, UNE-R discounts *may* be as high as 50%." (emphasis added) It also notes that "[GII's] wholesale purchasing expertise *can* allow us to offer loops and transport to Verizon served locations at 10%-20% below the comparable Verizon special access tariff rate." (emphasis added) While GII certainly believes it may be able to locate and piece together facilities from multiple providers to obtain savings at such levels in certain cases, GII also makes clear in its statements that it cannot do so and obtain such savings in all cases.

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IV. Conclusion

GII clarifies herein the scope of its UNE-R initiative as compared to the way in which it

generally conducts business. The UNE Fact Report 2004 confuses statements regarding the

broader scope of GII's operations with the narrower UNE-R effort, and therefore does not

accurately capture the locations that can generally be accessed without use of an ILEC network.

Respectfully Submitted,

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